

4.0 Financial Summary

4.1 City Funding in Support of HMP

The City uses two sources of funding to support implementation of the HMP: (1) new, permanent funding that has been allocated specifically for management of City lands and HMP coordination, and (2) existing resources, including planning and administrative staff. The following sections describe these funding sources and how they are being used.

4.1.1 Funding Targeted to Support the HMP

The majority of the City's ongoing costs to support HMP implementation are activities required by the HMP or the IA. Two of the City's main responsibilities are:

- City oversight of the overall HMP Preserve System which includes more than 6,000 acres of protected open space, and
- City responsibility for the direct management of more than 600 acres of preserve land owned by the City.

To accomplish the first goal, the City dedicated a senior-level staff planner at 50 percent time for HMP coordination and contracted with TAIC to develop guidelines to (1) assist City planners, developers, biologists, and the public through the HMP process; and (2) to serve as the City's Preserve Steward, coordinating management throughout the Preserve System, and monitoring HMP compliance and management effectiveness (Table 28).

The second goal will be accomplished through the efforts of CNLM, a non-profit preserve management company. CNLM will be submitting a revised area-specific Preserve Management Plan for City-owned preserves and a cost estimate for preserve management services in February 2008. It is expected that this plan will be finalized (including Wildlife Agency review) by mid 2008. The management plan includes natural resources information for each individual preserve, and management/monitoring plan goals and tasks, which will apply to all City-owned preserve lands. Based on the PAR submitted by CNLM, start-up costs and ongoing management for the first three years will be \$818,130. In June 2007, the City Council approved a budget of \$357,000 for start-up costs, and \$154,000 for annual maintenance. The city is currently reviewing the PAR for any potential costs saving opportunities.

Table 28. Consultant Contracts

Contractor¹	Contract Date	Contract Amount	Services	Status
TAIC	7/24/06	\$82,000	1. Reconciliation of HMP GIS baseline data. 2. Guidelines Preparation a. Biological Studies b. Wetland Buffers c. Preserve Management d. Public Outreach	1. Completed in 2006 2.a. Draft completed 11/06; under City review b. in progress c. in progress d. in progress
TAIC	9/01/06	\$125,000 per year	Half-time Preserve Steward and GIS services to assist with HMP implementation	Technology Associates (TAIC) hired; assists City with project review, preserve coordination, and compliance and effectiveness monitoring.
CNLM	7/31/06	\$28,123	Complete Preserve Management Plan and cost analysis for City-owned HMP preserve lands	Revised management plan and cost analysis to be submitted to the City in February 2008.
CNLM	Pending	\$357,000 start up; \$154,000 annual maintenance	Manage and monitor City owned preserve lands.	City Council approved funding for permanent management of City-owned properties (Jun-07). Management contract under negotiation.

¹ CNLM – Center for Natural Lands Management; TAIC – Technology Associates

4.1.2 Other City Resources Used to Support the HMP

In addition to funding specifically targeted for HMP implementation (described above), the City uses its existing infrastructure, staff, and budget to further support HMP goals, including:

1. Public Outreach. The City is currently creating a City-wide public education and outreach program that will allow the general public to learn more about the HMP Preserve System, and the importance of protecting biological resources. This program will tie into existing environmental education and volunteer programs provided by the City and local organizations. One of the new tools under development is an interactive HMP website that will include the following elements:
 - Interactive map showing location and basic information about the individual preserves.

- Links to HMP-related regulatory documents, preserve management plans, area-specific annual reports, and HMP Preserve System annual reports.
- FAQs related to management, edge effects, biological monitoring, etc.
- Links to local environmental organizations and state and federal agencies that provide additional information about the natural environment.
- Information about volunteer opportunities.
- Information about recreational opportunities within the Preserve System.

In addition, the City has created a brochure that discusses edge effects (Appendix D). The brochure defines “edge effects” and describes specific things the public can do to reduce their own impacts on the environment. The brochure was originally developed for residents living adjacent to a preserve, but it provides useful information to anyone interested in protecting the City’s natural open space.

2. Facility Maintenance. Current, ongoing facility maintenance in the City benefits the HMP Preserve System by providing a resource for important management needs such as remediation of erosion problems, installing fencing for access control, and erecting signage to post regulations and educational information. In addition, the Department of Parks and Recreation manages a volunteer trail maintenance program, which has been used within the Preserve System.
3. Administrative. Administrative costs include time spent processing HMP permits, reviewing development projects and associated components for HMP compliance, negotiating with the Wildlife Agencies, coordinating with preserve managers, etc. These activities are currently supported by existing City Planning Department staff, including the Planning Director, Assistant Planning Director, Principal Planner, HMP Coordinator, individual planners, and administrative staff. Other administrative needs are supported by the City’s GIS Department (spatial data management and map production), Department of Parks and Recreation (HMP-related public concerns), Fire Department (fuel modification zones and fire prevention), and Police Department (patrolling of some open space areas).

4.2 In-Lieu Habitat Mitigation Fees

As described in Section 2.2.5, in-lieu habitat mitigation fees are collected from developers for project-related impacts to some native habitat outside of the preserve. These habitats include all habitat types in Groups E and F (non-native grassland, disturbed lands, Eucalyptus, and agricultural lands) and some habitat types in Group D

Table 29. In-Lieu Mitigation Fee Account Activity through FY 06-07.

Date	Project or Developer Required to Pay Mitigation Fee	Fee Paid
Fees Paid		
04/22/2004	Palomar Forum	\$133,867.80
08/05/2004	Mammoth Sierra	\$2,160.00
10/21/2004	Hoffman Planning	\$225,865.90
12/13/2004	HMP04003 Javaheri Henry R&Efi	\$5,804.86
12/13/2004	HMP04004 Cazadero Homes	\$979.30
05/16/2005	CDP03012 Adams St. SFR North	\$4,600.00
08/25/2005	Grand Pacific	\$3,949.00
11/03/2005	SDP02013 El Camino Family Housing Partners	\$2,101.40
12/06/2005	HMP05005 HG Fenton (Fox/Miller)	\$14,650.79
01/24/2006	HMP05006 Franz-Yut El Camino Real (Cassia)	\$9,081.69
01/25/2006	HMP05007 Hungerford (Worsch residence)	\$469.00
03/29/2006	GR050079 Golden residence	\$590.87
05/23/2006	Copies	\$29.00
06/23/2006	GR060007 Johnson residence	\$3,416.70
09/12/2006	FR060042 Spadaro residence	\$7,705.20
10/04/2006	GR0600062 Thompson residence	\$616.56
11/06/2006	GR050054 Highland Drive	\$6,525.26
12/15/2006	GR060027 Balhagi	\$1,618.40
01/02/2007	CB061728 Refold Residence	\$282.59
01/17/2007	GR060058 Black Rail	\$950.53
02/08/2007	GR060075 Carlsbad Medical Village	5,677.49
12/13/2007	GR070003 Robertson Ranch	220,368.82
03/06/2007	GR060071 Eucalyptus Subdivision	4,982.75
05/17/2007	CB063517 Berger Residence	899.15
09/18/2007	CB071750 Rihan Residence	1,078.98
10/10/2007	CB071141 Admani Residence	15,744.12
11/15/2007	GR070046 Robertson Ranch	52,407.60
11/15/2007	GR070047 Robertson Ranch	38,946.04
Total as of 11/30/2007		765,369.80
Interest Earned		
Through 10/31/04		2,470.80
11/01/04-10/31/05		16,109.93
11/01/05-10/31/06		21,151.73
11/01/06-11/30/07		33,170.47
Total Interest Earned as of 11/30/2007		72,902.93
Total Cash Available in Fund		838,272.73

(unoccupied coastal sage scrub, coastal sage/chaparral mix, and chaparral, except southern maritime chaparral). These fees will be used to fulfill the City's obligation to acquire, protect, and manage the Gnatcatcher Core Area. Table 29 summarizes the mitigation fee account activity from final HMP approval to present. As of December 31, 2007, approximately \$765,370 in fees has been collected and \$72,903 in interest has accrued, bringing the total to \$838,272. No withdrawals have been made from this account to reimburse or acquire acreage in the Core Area.

4.3 Grants and Other Funds

4.3.1 Wildlife Agency Partnership

Proposition C Open Space and Trails Citizen's Committee

Because the City has an approved MHCP subarea plan, it is eligible to apply for certain state grants and other funds intended for habitat acquisition, management, and monitoring. No other MHCP city is eligible for these funds. For the last two years, the City has worked with the Wildlife Agencies to apply for funds from the Endangered Species Act Section 6 Grant Program. No grants were received for the 2007 fiscal year. The current application under review for the 2008 Fiscal Year Habitat Conservation Plan Land Acquisition Program includes four properties identified by the Proposition C Open Space and Trails Citizens Committee, totaling 295 acres. The City requested a grant of \$12.5 million, with a 35 percent non-Federal match. The status of the application is unknown at the time of this Annual Report.

Sherman Property (Buena Vista Creek Ecological Reserve) Acquisition

The Trusts for Public Land (TPL) coordinated the acquisition of the Sherman Property (now called Buena Vista Creek Ecological Reserve) that had been identified as a high priority by the wildlife agencies in the MHCP. Key project funding partners included state and federal wildlife agencies, and Preserve Calavera, a local conservation organization. The land is now owned by CDFG who is currently contracting with CNLM for preserve management. The project included \$8 Million for land acquisition, \$928,000 for a non-wasting endowment for preserve management, and \$94,000 in acquisition related expenses. Funding sources included:

Federal

- National Fish and Wildlife Foundation (NFWF)
- Habitat Conservation Planning Land Acquisition Grant (HCP)

State

- Wildlife Conservation Board Habitat Conservation Fund –Proposition 117 (WCB)

Non-Profit

- Buena Vista Audubon Society
- California State Audubon Society
- Preserve Calavera
- Sierra Club – San Diego Chapter.

4.4 Status of Funding for Preserve Management

The endowment activity and status for preserves managed by CNLM are given in Table 31. CNLM operates on a fiscal year from October through September. The City funds management of its own properties through the operating budget of the Planning Department. As discussed in Section 4.0, all anticipated costs have been budgeted and a contract is in negotiation. Properties owned and managed by CDFG are funded through regular Department funds, with the exception of Batiquitos Lagoon which is funded through an endowment established by the Port of Los Angeles. The original endowment of \$8,654,135 has been reduced to \$5,973,045 over the last ten years (1997-2007) due to dredging operations, predator control, least tern monitoring, and other operations and equipment (Table 31).

Table 30. Endowment Status for HMP Preserves.

Site Name	Preserve Manager	Inception Date	Original Endowmt	Expenditures FY 04-05	Budget FY 05-06	Expenditures FY 05-06	Endowment 10/31/2007
La Costa Villages	CNLM	2/2002	\$1,364,400	\$77,254	\$68,367	\$57,553	\$1,883,152
Kelly Ranch	CNLM	3/2002	\$296,125	\$13,130	\$13,342	\$11,289	\$421,922
Carlsbad Oaks No.	CNLM	3/2006	\$1,020,311	N/A	N/A	N/A ²	\$1,097,072
Calavera Hills II / Robertson Rch E ¹	CNLM	6/2006	\$1,441,093	N/A	N/A	N/A ²	\$1,621,518
Nelson	CNLM	6/2001	\$72,180	8,057	\$3,173	\$3,514	\$91,116
Cassia Prof. Offices	CNLM	1/2007	\$100,884	N/A	N/A	N/A	\$105,023
Buena Vista Ck ER	CNLM	4/2007	\$776,644	N/A	N/A	N/A	\$789,757
Batiquitos Lagoon ER	CDFG	1997	\$8,654,135	unknown ³	unknown ³	unknown ³	\$5,973,045

¹ CNLM merged funds for these two projects to provide a cost savings for Robertson Ranch. East Village

² CNLM received the project in 2006, but minimal expenditures occurred within the fiscal year (which ended September 30, 2006).

³ Detailed information about expenditures for the Batiquitos Lagoon Ecological Reserve was not provided to the City.

5.0 Opportunities and Constraints

Assembling and managing the HMP Preserve System has provided the City with an opportunity to significantly contribute to the conservation of ecological diversity and ecosystem integrity within the regional context of Southern California. These efforts provide protection for numerous sensitive species, sensitive habitats, wildlife movement corridors, and habitat linkages. However, there are many constraints that may hamper the City's conservation efforts. The most challenging issues are related to limited resources and human presence. Sections 5.1 and 5.2 below discuss opportunities for the future, and the most pressing constraints to effective management of the Carlsbad Preserve System.

5.1 Opportunities

There are many opportunities for improvement of the condition of preserve lands in Carlsbad, some of which are outside of the direct requirements of the HMP and IA. The City is currently working towards some of these goals already. Others will require longer-term planning. The following is a list of major goals and opportunities identified by the City and the Preserve Steward.

1. Public Outreach and Education

- General public (including public schools); HOAs; equestrian and biking stakeholder groups, landscape nurseries, etc.
- Engage the public to act as land stewards
- Educate home owners about protecting resources. Why is it important? What can they do?
- Education about the ecology of our local ecosystems, plants and animals of the region, threats to habitat vitality, etc.

2. Preserve Management and Monitoring

- Coordinate with Preserve Managers and Multiple Species Conservation Plan (MSCP) biological monitoring working group, and researchers at San Diego State University (SDSU) to standardize monitoring methods, data collection, and data management so that monitoring results can be analyzed regionally.
- Coordinate with Wildlife Agencies and Preserve Managers to determine gaps in baseline data, monitoring priorities, methods for assessing regional trends, what is working and what is not, etc.

- Coordinate with Wildlife Agencies and Preserve Managers, and local organizations to develop and implement a wildlife movement monitoring study to determine effectiveness of (a) regional (MHCP study area and beyond) wildlife movement corridors, (b) local (within HMP Preserve System) wildlife movement corridors, and (c) local roadway crossings.
- Enhance wildlife movement throughout the preserve system.
 - Implement wildlife movement monitoring program to assist in the assessment of wildlife movement and constriction throughout the preserve: enhance road-kill data collection and set up wildlife tracking stations at appropriate locations.
 - Manage fencing to enhance wildlife movement: remove fencing that impedes movement through movement corridors and/or use fencing to funnel wildlife to undercrossings and away from traffic.
 - Design and site undercrossings appropriately and according to the most current standards.
 - Maintain key undercrossings. This is the responsibility of the responsible preserve management entity.
- Coordinate with Preserve Managers to ensure the implementation of passive and active adaptive management (which will include an invasive species removal program) at the Preserve System level. Determine priorities for questions that need to be answered, and develop pilot studies to answer these questions. Disseminate results and coordinate with other jurisdictions.

3. Data Management

- Collect, manage, and update spatial data on an annual basis, including project-specific vegetation mapping, preserve monitoring data, parcel boundaries, etc.
- Develop digital data submittal policies to ensure standardization and completeness of data, including project boundary mapping (Conservation Easement areas, fuel modification zones, restoration areas, and impact boundaries), and biological resource mapping (vegetation communities, sensitive habitats, and sensitive species).

4. Enhance Enforcement Program

- Establish a program that coordinates with ongoing and future efforts by stakeholders such as City Parks and Recreation Department, Police Department, Fire Department, wildlife agencies, preserve managers, lagoon foundations, and other interested parties.

5. Partnering Opportunities

- Seek partnering opportunities for funding, public outreach, volunteer opportunities, watershed management, regional and local preserve management and monitoring, etc.

5.2 Constraints

In general, resources and time are the major constraints to assembling, managing, and monitoring the HMP Preserve System. It takes sufficient resources to provide funding and personnel to acquire land, manage preserve lands to HMP standards, monitor species and habitats, and provide recreational and educational opportunities for the public. And it takes sufficient time for the administrative steps required to conserve a piece of land, deal with human-related problems, and acquire enough monitoring data to enable long-term trends analyses. Below is a list of the most prevalent constraints identified for the HMP Preserve System. These constraints do not cause the City to be out of compliance with the HMP; however, they may slow the process or preclude the City from going above and beyond minimal requirements of the HMP.

1. Limited Resources

- Long term regional funding and grants are needed to support regional monitoring, land acquisition, restoration projects, and higher levels of pre-HMP preserve management (e.g. providing additional resources to ensure Level 3 management where Level 1 or 2 is currently required).
- Currently there are few management entities available that have the appropriate credentials and experience to provide management services. The TET bankruptcy shows that proper long term planning and money management is essential.
- Funding is needed to enhance the enforcement program by pooling resources with other City departments that have enforcement needs, as well as using volunteers and relevant non-profit organizations.
- Budgetary constraints of DFG has impacted their ability to manage lands to Level 3 or 4 management. Likewise, there is no MHCP-wide inventory of existing take permits outside of Carlsbad's HMP area therefore no assessments on the state of the regional habitat can be made.

2. Administrative Difficulties

- Several steps must be taken before a Preserve Manager can start baseline surveys and habitat management on new preserve lands, including a Property Analysis Records non-wasting endowment sufficient to support land management in perpetuity, Preserve Management Plan, Conservation Easement, and Management

Agreement. Each step may involve multiple reviewers (City Planning Department, Preserve Steward, City Attorney, Wildlife Agencies, etc.), and multiple review cycles.

- The Conservation Easement has been the biggest bottleneck; there is concern about liability, disagreement among interested parties regarding specific language in the document, and the status of grantee/grantor relationship. Without a commonly accepted easement template, each property owner is required to negotiate the easement language on a case-by-case basis. As a consequence, recordation of the Conservation Easement has taken several years for some of the project-related preserves.

3. Human-Related Impacts

- The HMP preserve is very urbanized, and the population continues to increase. Associated impacts include:
 - High level of edge effects
 - More contaminants into the system (pesticides, herbicides, and fertilizers)
 - A prevalence of invasive species (nurseries currently sell pampas grass and artichoke thistle, two of the most destructive exotic species)
 - More wildlife traffic fatalities as movement corridors become more constrained
- Long-term historical uses (e.g. off-road vehicles, illegal dumping, and migrant camps) of preserve require changing human behavior toward a less destructive way of enjoying the open space.
- Unmanaged access. If managed properly, the density and type of recreational use would be balanced with biological resource protection.

4. Monitoring

- It can take a number of years to detect trends in species populations or habitat conditions. It is necessary to “filter” out seasonal variation from long-term trends.
- The habitat in the Preserve System is highly fragmented; some preserves are quite small. Preserve Managers should work together to monitor trends at the landscape level rather than at the individual preserve level to acquire more meaningful data.
- There is currently no clear consensus on the best way to monitor long-term trends (however current efforts are underway by the MSCP biological monitoring group researchers at SDSU to determine the most effective monitoring strategies).

6.0 Conclusions

The City is implementing the HMP in a manner that is consistent with the Implementing Agreement and the HCP/NCCP Take Authorization/Permits. The General Plan Land Use and Open Space and Conservation policies, Municipal Codes, and development permitting process have been revised to ensure that all new development complies with HMP regulations, including coastal zone requirements and zone-specific standards within Standards Areas. The City is currently supporting the HMP through pre-existing resources (public outreach programs, existing Planning Department staff including the HMP Coordinator, facility maintenance, etc.) and targeted funding (new Preserve Steward position and permanent management funding). In addition, the City continues to work closely with Wildlife Agencies, Preserve Managers, local organizations, and the general public to keep the lines of communication open and to improve its efforts towards HMP implementation. Specific conditions of the IA that are still in process are:

- MHCP California Gnatcatcher Core Area requirement: Approximately 50 acres (currently conserved) to be reimbursed with in-lieu mitigation fees, and 43 acres to be acquired (IA 11.5).
- Preserve System consisting of 6,757 acres of conserved land: To date, the City has preserved 5,957 acres within the City limits (IA 11.1).
- Record keeping: (IA 12.1)
 - Projects that mitigated impacts through in-lieu fees need to be incorporated into Habitrak.
 - Project gains and losses outside of the HMP need to be incorporated into Habitrak.
 - Habitrak data needs to be reviewed for errors due to misregistration, precision, and GIS processing.
- Annual Reporting and Meeting: (IA 12.2)
 - The current annual report which includes HMP implementation information for years one through three brings the City back on schedule for annual report submission.
 - The first public workshop will be given in the spring of 2008.
- Management of Lake Calavera and other City-owned lands: Funding for permanent management of City-owned lands was approved by the City Council in 2007 (IA 14.3).
 - A PAR and Preserve Management Plan, which include Lake Calavera, was submitted to the City by CNLM in January 2007. The City needs to

complete negotiations and approve a management agreement so active management can begin.

- The City is currently working with the Wildlife Agencies to ensure active management begins as soon as possible.

The City will continue to work toward the goals and opportunities outlined in Section 5.1 within the constraints listed in Section 5.2. For example, without penalties and enforcement, it is difficult to change the behavior of preserve users who may be impacting sensitive species and habitats. The City has assembled a stakeholder group to discuss needs, priorities, and funding possibilities. The group includes the Planning Department, Department of Parks and Recreation, Police Department, HOA representatives, and CNLM. In the coming year, the City and Preserve Steward will develop a public outreach program, which will educate the public about the Preserve System and the importance of conservation. Public support and coordination with local organizations are critical to accomplishing conservation goals by building a sense of stewardship in the general public and by pooling resources to accomplish more with less.

7.0 References

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